

## What's the Deal By [Daniel Lesser](#)

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### More hotel brands – really?

*(The views and opinions expressed in this blog are strictly those of the author.)*

The recent NYU International Hospitality Industry Investment Conference once again served as a platform for the announcement of new hotel brands, with so-called soft brands leading the conversation.

Included were American Idea (Trump Organization), Reverb by Hard Rock and Trademark Hotel Collection (Wyndham Hotel Group). Additionally, InterContinental Hotels Group announced it will launch a new midscale brand at the company's conference this month in Las Vegas.

At this juncture, brand proliferation is driven by hotel brand companies' desire for growth, which is being achieved through the execution of additional operating and/or license agreements. While many legacy brands such as Marriott, Hilton, Hyatt and Westin swiftly and efficiently communicate a lot of information to consumers, many others do not clearly distinguish themselves. That is creating consumer confusion and making it difficult for travelers to understand what each brand really is. Conversion brands, and brands whose story is that they are unique to their locations, tend to offer no clear identity to begin with.

It is obvious that the sector is overly segmented and that customers and travelers around the world are becoming confused by all the options. Furthermore, many of the industry's offerings are now highly commoditized, resulting in competition based upon price.

The lodging industry needs to, at least for now, cease the introduction of confounding new hotel brands and instead focus on bolstering and reinforcing existing brands by making clear to customers what to expect when they stay at one versus another. Brands that can truly differentiate will endure, while those that lack clarity of what they stand for will fall by the wayside during the next downturn – which is not a matter of if but when it occurs.

Finally, hotel brand families should consider conducting relevancy studies, commit to combining overlapping identities and retire brands that are obsolete with little if any chance for revival.

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